

## ORGANIZING

# CROP INSURANCE SALES

Crop Insurance must be "sold" to the individual producer.

All past experience in Federal crop insurance programs has demonstrated clearly that the extent of participation in the program depends almost entirely on how well and enthusiastically the sales campaign reaches the prospective buyers.

There are few people who walk in the front door of a county AAA office and ask to sign insurance contracts. To make crop insurance a success requires a "selling" campaign unlike any other job handled by Triple-A. Because "selling" crop insurance to the individual buyer is so important, every State and county committeeman and every fieldman has a responsibility to organize and carry out a planned sales campaign that will get results.

\* \* \*

## SELLING IS UP TO AAA - - -

Because AAA already had an effective and efficient organization in the field, we were asked to take over the job of selling crop insurance. This means that AAA must see that insurance is offered to every producer in the county and state.

The first responsibility lies with the State Committee. It is the duty of this committee to set the wheels turning for an effective State-wide sales campaign.

The next responsibility lies with the County AAA Committee:

1. To draw up a sales plan for the county.
2. To obtain and train sales agents.
3. To supervise the campaign and conduct the follow-up work.
4. To see that every wheat farmer is contacted.

\* \* \*

## ATTENTION \_\_\_\_\_ STATE COMMITTEE

As the first step for a State-wide campaign, the State Committee should meet with all fieldmen to map a sales plan and discuss all administrative points of the crop insurance program.



At this meeting, you will want to analyze sales ideas used in counties which have obtained high participation in past insurance programs. A summary of these results should be given to all fieldmen.

The State meeting should include:

1. Thorough study of the sales manual "Selling Crop Insurance", for ideas to be used in campaign.
2. Writing of a uniform sales campaign to be suggested to county committees for possible use by sales agents.
3. Each fieldman should demonstrate the sales approach and technique he expects to use in selling crop insurance to his county committees. He should review with the State committee the sales campaign plan that he will follow.
4. You should arrange for district or area meetings to be attended by county committees. These meetings should be conducted by the fieldmen, assisted, if possible, by a member of the State Committee.

\* \* \*

(A T T E N T I O N) \_\_\_\_\_ COUNTY COMMITTEES

Probably the most important subject to be discussed with the County Committeemen is the selection and training of insurance sales agents. Stress should be placed upon the need for getting salesmen who are convinced of the general merits of crop insurance---who believe in crop insurance---who will preach the protection benefits of crop insurance instead of arguing over minor details that cannot be changed.

The whole "tone" of your sales campaign will be set in these district meetings. Personal opinions on rates and yields should not overshadow the really important thing---protection which the contract gives the buyer.

RATES AND YIELDS CANNOT BE CHANGED IN SALES MEETINGS.

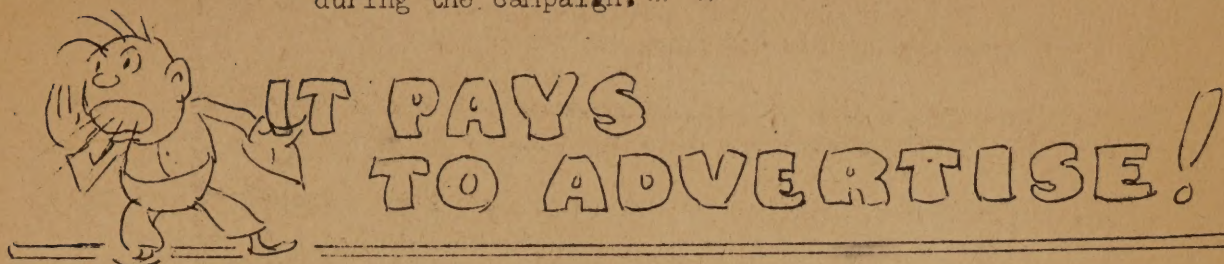
The four big jobs for a County Committee:



1. If possible, a meeting should be held to explain crop insurance to all interested people in the county, including community committeemen, representatives of other agencies, farm organizations, bankers, elevatormen, and local businessmen.
2. Select agents. Committeemen, other farmers, professional insurance salesmen, and others who show an interest in the program should be encouraged to become agents.



3. Hold a training meeting for agents.
4. Follow-up meetings should be held regularly with agents during the campaign.



State and County Committees are responsible for informing every wheat producer about crop insurance. You also can help sell insurance if you tell other people who are interested in farming about the program. Bankers, merchants, warehousemen, machinery and supply dealers, elevator operators, millers, and others who depend on farmers for business have a personal stake in pushing any program which assures farmers a return from their crop.

Letters or postcards should be sent to every producer in the county during the sales campaign. A news release each week during the campaign will help. Radio facilities should be used where possible.

Committeemen should take advantage of every opportunity to explain crop insurance before civic, religious, business organizations or other groups.

Any ideas for improving the program should be given to the state AAA committee ---- not aired in a sales meeting.

\* \* \*

TO ASSIST AAA Committees in carrying out an information program, the Washington office will provide suggested materials throughout the campaign.

Here's a TIMETABLE of information materials already in the mill to be used in the sales drive:

<u>Kind of Material</u>	<u>To Reach Field on Or About</u>
Letter to farmers announcing campaign (Also postal card for alternate use)	June 15
Radio Spot Announcements	June 15
Fill-in press release for States, announcing wheat insurance program - general details	June 15
Fill-in release for counties (same as above)	June 22
5-minute radio announcement or interview	June 22
Suggested layouts for advertisements (with mats)	June 25



Fill-in press release for counties - organization set-up, names of agents, etc.	June 29
"Sales Manual" for use of agents and brief, illustrated envelope stuffer to be sent producers	July 1
Fill-in press release for States, sign-up started, what program offers, etc.	July 6
Fill-in release for counties (same as above)	July 13
15-minute radio interview or announcement	July 15
Letter and postal card for producers, promoting program	July 15
Fill-in press release - examples and experience in former years, promoting present program	July 27
Radio spot announcements - sign-up in progress, where to sign, etc.	August 3
Fill-in press release for counties - how program progressing, etc.	August 10
5-minute radio announcement	August 15
Letter (and postal card) to producers - notifying of closing date	August 21
Wires to farm program directors of radio stations over nation, informing them of closing date and asking cooperation in giving last-minute push to campaign	August 21 (State Offices will be notified when wires are sent from Radio Service here)
Fill-in press release for counties, notifying producers of closing date	August 21

THESE letters, postcards, fill-in news releases, radio interviews, spot announcements and advertising mats, are merely suggestions. You may be able to write better ones right in the State or County Office.....you know the local situation better than we do.



We learn from the EXPERIENCE of ourselves and of others. Here are some tips for ORGANIZING a sales campaign.

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\*\*\* In one Southern state, the "first step" meeting of fieldmen and State Committeemen lasted an entire week. Result: More than TWICE as many cotton contracts sold in 1945 than in 1943.

\*\*\* In many counties, salesmen have made more sales by talking premiums and coverage in terms of dollars and cents instead of bushels.

\*\*\* "Protection" is the key sales word. Fire and other types of insurance aren't sold as money-making propositions. Neither is crop insurance.

\*\*\* "The best news is local news." And the best selling point is to remind the prospects of crop losses that have happened in his community in recent years---possibly even in recent weeks.

\*\*\* Ten alert and aggressive salesmen will sell more insurance than 20 salesmen who are only lukewarm toward the program. In fact, lukewarm salesman tend to slow down good salesmen.

\*\*\* Selling "ALL-INCLUSIVE PROTECTION" is the most important idea to get across to salesmen. Crop insurance won't make money for a farmer; it will PROTECT his investment in the crop.

\*\*\* At county or community meetings, it's a good idea to ask how many in the audience have fire or life insurance ... and how many hope to collect on either during 1946.

\*\*\* State Committeemen should visit any county or area in which sales are lagging, and assist county committees and salesmen in pushing the program.

\*\*\* Newspaper editors are interested in a sound agriculture for their communities because agriculture probably is the income lifeline of the communities. A few minutes spent with an editor will pay good dividends in contracts.

\* \* \*

A LAST WORD from J. Carl Wright, manager of the Federal Crop Insurance Corporation:

"Every person connected with this Corporation, whether he works in Washington, in a Regional or State office, or on a field job, wants to give all the help he can in selling insurance. While Triple-A has the main job, the FCIC people are not simply sideline sitters. We'll be glad to help wherever you want us."



WAR FOOD ADMINISTRATION  
Agricultural Adjustment Agency  
Washington 25, D. C.

June 1, 1945

MATERIALS IN PREPARATION FOR PROMOTING SALES OF CROP INSURANCE

1. Organizing Crop Insurance Sales. A suggested campaign organization to guide State committees and fieldmen. May be adapted for county use. (Attached).
2. Selling Crop Insurance. A printed manual to help sales agents. Scheduled for delivery to States around June 25.
3. Will You Be Next? Illustrated sales circular on rotogravure paper stock suitable for direct mail or handout distribution to insurance prospects. May be used to promote sales of any type of crop insurance. Scheduled for delivery to States around June 25.
4. Articles for Farm Papers and Magazines. One in June issue of The Country Gentleman. Another being sent with photographs to farm papers.
5. Suggested Letters and Postcards. For direct mail to prospects. To be mailed to States starting June 15.
6. Press and Radio Releases. A layout of releases for an eight-week campaign will be mailed to States starting around June 10. Includes suggested press releases, radio scripts, and radio news items for use in States and counties.
7. Advertisement Mats. Two- and three-column mats of advertisements which can be inserted in local papers by salesmen, singly or in groups. Also, one half-page layout including mats of illustrations for possible use by business sponsors. For mailing about June 15.
8. Poster. A vivid poster on insurance protection, ready about July 10.
9. How Crop Insurance Will Work on Your Wheat Crop. A short summary of how a policy applies to a particular farm; for adaptation and duplication by counties. (Attached).
10. Information for Insurance Applicant. A card to be left with signers of contracts at time of sales. For possible use and duplication by counties. (Attached).

(All of the above items except Nos. 1-9-10, are being prepared and duplicated by the FCIC in Washington. If States or counties want to use Nos. 1-9-10, they will have to duplicate same from the attached copies.)



ROUGH DRAFT  
AAA Press Section  
June 1, 1945

(Illustrated Sales Promotion folder for distribution to prospects. This folder will stress the broadness of risk coverage provided by Federal crop insurance. The statements here are the printed matter only.)

ONLY Federal Crop Insurance

Protects You

against ALL These Hazards

DROUGHT

WIND

FLOODS

FIRE

HAIL

WILDLIFE

FROST

INSECTS

WINTERKILL

DISEASE

Pests . . . grasshoppers, corn borers, chinch bugs, worms.

Fire . . . . strikes crops without warning.

Storm . . . black clouds  
. . . what will they bring?

Floods . . . washed-out  
crops bring despair.

Drought . . . parches fields  
. . . shrinks income.

Hail . . . a year's work wiped  
out in a few minutes.

Disease . . . wilt, rust, other  
plagues . . . no crop is safe.

Boll Weevil . . . relentless  
scourge of the Cotton Belt.



Farmers Gamble  
on the Weather

Every year, in practically every county, there are some farmers who lose on the gamble . . . who fall victims to a devastating quirk of the weather . . . hail, wind, drought, floods, winterkill . . . or who suffer loss from some other uncontrollable hazard . . . rust, insects, fire, wildlife.

Your farm is just a small speck on a map of these broad United States. Yet the records show that no farm is safe from possible crop damage or disaster caused by natural hazards. Farmers, regardless of where they live or how well they farm, are robbed of their crops.

The lucky farmer may have escaped year after year -- yet he never knows. HE MAY BE NEXT.

Federal crop insurance is the only all-risk insurance offered you against natural hazards. It is the only protection against loss of your year's work and investment.



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The NEW

Federal

Crop Insurance

1. What it does

Protects the insured crop against damage from drought, floods, hail, frost, winter-kill, wind, fire, excessive moisture, storm, insects, wildlife, plant diseases, and any other natural cause. If your crop fails to yield the insured amount of coverage, you collect an indemnity to bring your return up to the insured amount.

2. What it costs

Your premium is based on past records showing the actual risk of growing the crop in your county. Since administrative expenses of Federal crop insurance are paid by the Government, the premium rates are limited to the amount needed to meet actual losses over a period of years.

3. How to get it

Federal crop insurance is sold through authorized agents and through the county AAA office. It must be bought before the crop is planted or before a designated deadline, whichever is earlier. Liberal terms are offered for paying premiums.

WAR FOOD ADMINISTRATION  
FEDERAL CROP INSURANCE CORPORATION  
AGRICULTURAL ADJUSTMENT AGENCY

JUNE 1945 F.C.I. INFORMATION 27



(This is suggested for County use in training salesmen and for possible use in making sales. Figures in the example should be modified to fit local conditions.)

WAR FOOD ADMINISTRATION  
Agricultural Adjustment Agency  
(Local address)  
June 1945

HOW CROP INSURANCE WILL PROTECT YOUR WHEAT CROP

Acreage Planted	--- 75 Percent Coverage ---			--- 50 Percent Coverage ---		
	Production Covered	Co.Prem. Rate	Farm Prem.	Production Covered	Co. Prem. Rate	Farm Prem.
(Your Farm)				Market Value of Wheat \$ _____		
	(\$ _____)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
(Sample Farm)				Market Value of Wheat \$1.40 Bu.		
50 Acres	450 Bu.	2 Bu.	100 Bu.	300 Bu.	1 Bu.	50 Bu.
	(\$630.00	\$2.80	\$140.00	\$420.00	\$1.40	\$70.00

Payment of Premium

1. A note covering payment of the premium is signed when you apply for insurance. You can pay this note anytime up to (date) at the current market price for wheat on the date of payment.

Adjustment of Crop Losses

1. Notify the county AAA committee of any claims for loss. Adjustments will be made by a representative of the Federal Crop Insurance Corporation.
2. If you harvest less than your insured production, you will receive the difference between what you harvest and your insured production.

EXAMPLE: Coverage 450 Bu.  
Harvested (3 Bu. per Acre) 150 Bu.  
You Receive 300 Bu.

3. In case of total crop loss with no harvesting expense on your part, you will receive indemnity up to 80 percent of your production coverage. The deduction of 20 percent is made to cover the harvesting expenses which you normally would have had to pay.

EXAMPLE: Coverage 450 Bu.  
You Receive 360 Bu. Indemnity

4. If your crop is substantially destroyed, you may, upon release by the Corporation, use the land for a substitute crop besides receiving 50 percent of your coverage as indemnity.



### WHAT EVERY FARMER WANTS

- \* Good Prices
- \* Better Land
- \* Crop Assurance

Ever since man first tilled the land, farmers have sought these three things as the basis for their happiness and well being. Until a few years ago, their attempts to obtain these desires had been none too successful.

It took a Nationwide collapse of agriculture to awaken the Nation to the realization that a sound agriculture was vital to its existence. As a result, the Government, cooperating with farmers, has made big gains toward.....

Good Prices.....Through loan and price support programs.

Better Land.....Through soil improvement programs.

But good prices and productive soil mean little to the income of a farmer when the uncontrollable factors of weather, crop diseases, and insects work against him. It's as uncertain as life---which we insure against. It's as uncertain as accidents---which we insure against. Doesn't it seem foolish not to insure the crop that pays for this other insurance?

The third desire of farm people is now attainable.....

Crop Assurance.....Through Federal Crop Insurance.



"AM I NEXT?"

Farmers gamble on the weather. The success or failure of a whole year's work and investment hangs on the weather.

Most of the time, farmers win their gamble. Yet every year in nearly every part of the country, there are some farmers who lose --- who fall victims to droughts....floods....storms....hail.... lightning....frost....winterkill.....wild-life....excessive rain-fall....fire....wind....disease....insects.

These misfortunes play no favorites. Farmers, regardless of where they live or how well they farm, are robbed of their crops. The lucky farmer may have escaped year after year --- yet he never knows. HE MAY BE NEXT.

When his crop is lost, his plans are upset --- plans for paying debts, for keeping up insurance policies, for buying new machinery, for educating Mary and Johnny, for repairing the barn. It may be necessary to mortgage the farm before the victim can start again the next year. If his credit is exhausted, misfortune may become disaster.

CROP INSURANCE PROTECTS AGAINST SUCH HAZARDS.



## THE GOVERNMENT AND CROP INSURANCE

Why is the Federal Government in the insurance business?

Farming is a hazardous business.....so risky that few private insurance companies have ever attempted to write insurance to cover all hazards. The few that tried abandoned the attempts.

In order that farmers could insure their business similar to the protection offered other businesses, the Government has established a program of crop insurance. The situation might be compared to the Government's establishment more than a century ago of a Nationwide postal system. No private or State company was able to tackle the job. The Government could and succeeded.

\* \* \*

### History

Ever since the time of Benjamin Franklin, there has been discussion of the need for crop insurance. Stimulated by a growing demand, the Federal Government began in 1920 to study plans for all-risk insurance. It was not until 1939, after the disastrous droughts of 1934 and 1936, that a program of Federal insurance was approved by Congress and offered to farmers. Wheat was the first crop covered and cotton was added in 1942. No insurance was written on 1944 crops.

The 1945 program provides general coverage for wheat, cotton, flax, and coverage on corn and tobacco on a trial basis in selected counties.

The Federal Crop Insurance Corporation is an agency of the War Food Administration. The manager is appointed by a board of three directors who in turn are appointed by the War Food Administrator. A part of the field work is handled through offices of the Agricultural Adjustment Agency. Reports of losses are made to county AAA offices and adjusted by representatives of the Federal Crop Insurance Corporation.



## LET'S TALK ABOUT SELLING

### They Won't Grab the Pencil From Your Hand

If there's one thing that people selling insurance have learned from bitter experience, it is this:

ALL INSURANCE MUST BE SOLD.

There is no substitute for personal contact and enthusiasm in selling insurance. Of course, a good, sound product comes ahead of everything else.

You have it. Can you think of anything with more appeal to a farmer than to be assured a crop at planting time?

\* \* \*

### It Pays To Plan

Your best preparation for selling is to lay out a sales talk.

You don't have to be a high-pressure promoter to plan and use a sales talk that will get results...and commissions. Simply sit down with paper and pencil and write down your plan.

FIRST. Think over the horse-sense reasons for buying crop insurance ---- "I may be next to lose....covers all natural risks....protects my time and money investment....assures income....non-profit."

SECOND. Write down your selling points. Include some aimed directly at the prospect you are about to see. Organize the points of your sales plan one-two-three. Be sure you have a closing punch.

THIRD. Once you begin talking to the prospect, stick to your plan. Keep the conversation on the right track. Don't talk rates until you are ready to talk rates.



## INFLUENCING PEOPLE

You are ready to tackle your first insurance prospect for crop insurance. What approaches are you going to use?

Here are some angles that have paid off well for other sellers of crop insurance:

**SELL PROTECTION.** Point out that crop insurance is the only sure-fire protection for the man who is "next" on the crop failure list. No matter how good seed is used, how much work is done, only crop insurance can guarantee a return at the time of planting.

**PICK OUT SELLING POINTS** which will appeal particularly to the man you are talking to. And don't forget to address some facts to the farmer's wife. Women have more to say than the menfolks about how the family money is spent.

**DON'T ARGUE ABOUT PREMIUMS AND YIELDS.** If the prospect thinks the cost is high, emphasize the all-risk coverage of Federal crop insurance. No other policy offers such all-inclusive protection.

**YOU CAN'T CHANGE THE RATES.** Salesmen for other types of insurance cannot change their rates. Crop insurance rates are set by actuarial experts from study of past production and loss records for the farm and the community.

**CROP INSURANCE IS NOT A PROFIT-MAKING DEVICE.** No one buys fire or any other insurance in hope of collecting on it. Likewise, a farmer does not vaccinate his hogs and expect them to die.

**CROP INSURANCE PREMIUMS ARE DEDUCTIBLE** as an operating expense from gross income on Federal income tax returns. Furthermore, Federal crop insurance is non-profit; the Government pays the operating costs.



M O R E     \$ \$ \$     F O R     Y O U

If You.....

- \* Let the prospect have his say without interrupting him. If you see a final "No" coming, stall it off...suggest that you call again.
- \* Watch for prospects on Main Street, at auctions, and at other places where farmers and landlords gather.
- \* Recall past crop losses in the neighborhood and call attention to them. This is something that always **strikes** home.
- \* Advertise your product....through newspaper ads, movie slides, give-away cards.
- \*\* Reach absentee landlords by mail. Anyone with an interest in the crop is an insurance prospect.
- \* Talk the idea of crop insurance to bankers, elevator men, and other influential people who talk to farmers.

If You.....

- \* Don't try to sell with anyone present except the farmer or members of his family. Don't talk to prospects in groups.
- \* Don't rush a man into signing. On the other hand, don't delay when you "feel" the iron is hot. Waiting creates doubts.
- \* Don't attempt to sell at a time inconvenient for the prospect..... when he has one eye on the clock or is fidgeting about other things.
- \* Don't argue with a prospect. If he becomes too argumentative himself, make your exit. Your very silence may make him think he is missing something.



YOU MUST HAVE THE ANSWERS

Every good salesman knows his product. You should know these things about Federal crop insurance:

- \* The hazards insured against.
- \* The period of coverage.
- \* How the coverage applies to each farm.
- \* When and how premiums are paid.
- \* When, where, and how claims for losses are reported.
- \* The method of adjusting loss claims.
- \* The procedure for paying indemnities.

ARE YOU "SOLD"?

Do you believe in crop insurance? Do you carry it on your crops?

The final test of any salesman is enthusiasm for his product. If you DON'T believe in crop insurance, you can't sell it.....

If you DO believe in it.....you can sell it.



ROUGH DRAFT

Information for Insurance Applicant

To be duplicated on cards by county if wanted.

NOTE TO COMMITTEEMEN: Use of this card is optional with your committee. It is offered as a possible help toward good administration of the crop insurance program in your county.

(FRONT)

Department of Agriculture  
Federal Crop Insurance Corporation  
Washington 25, D. C.

Information for Applicant

1. You will be notified by the Corporation in the near future of the status of your application. Before any applications may be accepted, applications must be filed covering at least one-third of the farms in the county on commodities for which insurance is offered or 50 farms, whichever is smaller.
2. If you do not hear from the Corporation within six weeks, you should ask the county AAA office about what has happened to your application.
3. A letter to be sent you by the Corporation will outline some of your most important responsibilities under the contract.
4. If your crop is damaged, you should notify the county AAA committee.

(BACK)

This space can be used by the agent to list information he may want to leave with the applicant.

<u>Farm Number</u>	<u>Coverage</u>	<u>Premium</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____